



STATE BOARD OF EQUALIZATION

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BETTY T. YEE
First District, San Francisco

BILL LEONARD
Second District, Ontario/Sacramento

MICHELLE STEEL
Third District, Rolling Hills Estates

JEROME E. HORTON
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
December 15-16, 2009

PRELIMINARY RECORD OF BOARD ACTION

Tuesday, December 15, 2009

The following is a preliminary record of Board actions taken at the December 15-16, 2009, Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Rose Smith at (916) 323-9656 or e-mail: Rose.Smith@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

Board Committee Meetings – Please see Page 20, O., Adoption of Board Committee Reports and Approval of Committee Actions, for voting results.

Board Meeting

There are no items for the following matters:

- A. Homeowner and Renter Property Tax Assistance Hearings
- B. Corporate Franchise and Personal Income Tax Hearings

C. Sales and Use Tax Appeals Hearing

C1. Rodney Eugene Lane, 415962 (BH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

D. Special Taxes Appeals HearingD1. ~~Adobe Beverages and Foods, Inc., 506102 (ET)~~

E. Property Tax Appeals Hearings
There are no items for this matter.

F. Public Hearings

These items are scheduled for Wednesday, December 16, 2009.

G. Tax Program Nonappearance Matters – Consent

G1. Legal Appeals Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
No final determination on sub-items 1 and 7.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

- Hearing Notice Sent – No Response
 1. ~~Sukrita Sanahi, 436874 (EA)~~
 2. Jose Aristides Torres and Angela J. Torres, 436435 (JH)
- Petitions for Release of Seized Property
 3. Yeon Hwga USA, Inc., 496421 (ET)
 4. Nabil I. Dib and Amal Deib, 496417 (ET)
 5. Fuad Mohammed Alwishah, 496370 (ET)
 6. Chu Mei Yang, 496457 (ET)
 7. ~~Surinder Singh, 506263 (ET)~~
 8. Sukhjivan Singh Dhaliwal, 506123 (ET)
 9. Baldev Raj and Sarbjit Kaur, 491620 (ET)
 - 10a. Bains Highway 99 Store, LLC, 506152 (ET)
 - 10b. Bains Lincoln Rd Store, Inc., 506150 (ET)
 11. Amany Incorporated, 506185 (ET)
 12. Karamjit Kaur Grewal, 510014 (ET)
 13. 1621 North Mountain Ave., Inc., 506182 (ET)
 14. Triangle, Inc., 496439 (ET)
 15. Charanjit Singh, 506869 (ET)

G2. Franchise and Income Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
No final determination on sub-item 6.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

➤ Decisions

1. Jackie L. Adamson, 422135
 2. Alliance Media, LLC, 443388
 3. Patricia Betts, 423117
 4. Paul Burke, 464512
 5. Chris Alan Capriotti, 460717
 6. ~~Cargill Incorporated, 476845~~
 7. Cascade Acceptance Corporation, 423950
 8. Charles Chu and Peichun Tsai, 468880
 9. Richard Courtney, 400993
 10. Dot.Org, Inc., 450405
 11. Extreme Distri, 439456
 12. Donna Hannah, 460190
 13. Isaac V. Hardy, 447640
 14. Nanci Ann Herbst, 435957
 15. Michael Hodsdon, 474164
 16. Greg Hohman, 406863
 17. Lincoln Kennedy, 461408
 18. Steve M. Kolhoff, 464694
 19. David R. Shelton and Suzanne Rosenbloom, 390857
 20. Ramiro Perez, 439532
 21. Glenn A. Smith and Eileen Smith, 431712
 22. Ada Unruh, 402857
 23. Angelica Urquiza Patlan and Abel Gonzalez, 424056
- Petitions for Rehearing
24. John I. Alioto and Linda M. Alioto, 204713
 25. Gwendolyn Webber, 406027

G3. Homeowner and Renter Property Tax Assistance Matters
There are no items for this matter.

G4. Sales and Use Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
No final determination on sub-items 3 and 10.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes except not participating in sub item 6.

➤ Redeterminations

1. Hot Topic, Inc., 466441 (AP)
2. Richard Starr S B S, Inc., 426096 (KH)
3. ~~Bodybuilding.Com, LLC, 467307 (OH)~~

➤ Relief of Penalty/Interest

4. Coach, Inc., 511141 (OH)
5. Amway Corp, 505757 (OH)

6. Time Warner, LP, 509159 (AC)
7. Derse, Inc., 507748 (OH)
8. The Irvine Company, LLC, 510204 (EA)
- Denials of Claims for Refund
9. Modern Finance Company, 446816 (AC)
- Denials of Relief of Penalty/Interest
10. ~~Thermo Keytek, LLC, 494632 (OH)~~

G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes except not participating in sub item 14.

- Credits and Cancellations
 1. Global Micro, Inc., 496769 (EH)
 2. Fleetwood Holdings, Inc., 509449 (EH)
- Refunds
 3. Desert Hospital Corporation, 468774 (EH)
 4. Delta Design, Inc., 468429 (FH)
 5. Redwood Credit Union, 504742 (JH)
 6. The Golden 1 Credit Union, 487374 (KH)
 7. Washington Mutual Bank FA, 435118 (OH)
 8. Tuff Shed, Inc., 507704 (OH)
 9. Hollywood Aviation, Inc., 464745 (UT)
 10. California Shock Trauma Air Rescue, 507007 (UT)
 11. John Picard, 479024 (UT)
 12. Global Micro, Inc., 473631 (EH)
 13. Dot Hill Systems Corp., 444255 (FB)
 14. Intel Americas, Inc., 506482 (GH)
 15. Aerofreeze, Inc., 476653 (OH)
 16. Platform Enterprises, 458323 (AP)
 17. Lawson Software, Inc., 486585 (OH)
 18. Home Carpet Investments, Inc., 509326 (FH)
 19. River City Paper Co, Inc., 473190 (KH)
 20. Arrowhead Central Credit Union, 459962 (EH)
 21. Arrowhead Central Credit Union, 485901 (EH)
 22. Arrowhead Central Credit Union, 504693 (EH)
 23. USE Credit Union, 484205 (FH)
 24. Modern Finance Company, 432794 (AC)
 25. United Auto Credit Corporation, 484206 (EA)
 26. Bulgari Retail USA SR1, 480365 (OH)
 27. NNV, Inc., 460974 (FH)
 28. Barnes & Noble Booksellers, Inc., 374369 (OH)

- 29. Garmin International, Inc., 484612 (OH)
- 30. TWC Leaseco, L.P., 463888 (OH)
- 31. Tenet Healthsystem Desert, Inc., 477169 (EH)

G6. Special Taxes Matters
There are no items for this matter.

G7. Special Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

➤ Refunds

- 1. Asbury Environmental Services, 491946 (EF)
- 2. Distribution Services, Inc., 512434 (EF)
- 3. Weider Publications, LLC, 512436 (EF)

There are no items for the following matters:

- G8. Property Tax Matters
- G9. Cigarette License Fee Matters
- G10. Legal Appeals Property Tax Matters

H. Tax Program Nonappearance Matters – Adjudicatory

H1. Legal Appeals Matters

➤ Petition for Rehearing

- 1. Main Street California, Inc., 224746 (OH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition for rehearing granted.	Ms. Yee	No
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	No

➤ Cases Heard But Not Decided

2. Select Office Solutions, Inc., 187460, 345451 (AP)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

3. Elufa Corporation, 350440 (AA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

4. Universal City Studios, Inc., 373822, 378248 (AC)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's claim partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

5. Sukhwant S. Sekhon and Amarjit Sekhon, 491719 (ET)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

6. City of Pomona and Town of Los Gatos, 469261

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
City of Pomona's petition partially granted/denied. Town of Los Gatos's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	No
	Mr. Chiang/ Ms. Mandel	Yes

➤ Petition for Release of Seized Property

7. Zuma Arc, Inc., 466074 (ET)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

H2. Franchise and Income Tax Matters

➤ Decisions

1. Bakal Company Limited Partnership, 395917

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

2. James G. Degnan (Deceased) and Isobel Degnan, 388851

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

3. David M. Gallegos, 390980

4. Joseph May, 429333

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's appeal partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

There are no items for the following matters:

H3. Homeowner and Renter Property Tax Assistance Matters

H4. Sales and Use Taxes Matters

H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

➤ Refunds

1. Professional Hospital Supply, Inc., 457642 (EH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

2. Professional Hospital Supply, Inc., 466754 (EH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

3. Professional Hospital Supply, Inc., 493135 (EH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

4. Owens & Minor Distribution, Inc., 459093 (OH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

5. Owens & Minor Distribution, Inc., 468180 (OH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

H6. Special Taxes Matters

➤ Relief of Penalty

1. Life Insurance Company of North America, 468866 (ET) – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not Participating

2. Connecticut General Life Insurance Company, 468867 (ET) – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Not Participating

H7. Special Taxes Matters – Credits, Cancellations, and Refunds
There are no items for this matter.H8. Property Tax Matters
These items are scheduled for Wednesday, December 16, 2009.

H9. Cigarette License Fee Matters
There are no items for this matter.

H10. Legal Appeals Property Tax Matters
These items are scheduled for Wednesday, December 16, 2009.

I. Tax Program Nonappearance Matters

I1. Property Taxes Matters
These items are scheduled for Wednesday, December 16, 2009.

I2. Offers in Compromise Recommendations
1. Nicholas Parks

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendation.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

Chief Counsel Matters

J. Rulemaking
This item is scheduled for Wednesday, December 16, 2009.

There are no items for the following matters:

K. Business Taxes

L. Property Taxes

M. Other Chief Counsel Matters
This item is scheduled for Wednesday, December 16, 2009.

Administrative Session

The following items are scheduled for Wednesday, December 16, 2009:

N. Consent Agenda

O. Adoption of Board Committee Reports and Approval of Committee Actions

P. Other Administrative Matters

Q. Closed Session

These items are scheduled for Wednesday, December 16, 2009.



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450 N Street, Room 121, Sacramento
December 15-16, 2009

PRELIMINARY RECORD OF BOARD ACTION

Wednesday, December 16, 2009

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C. Sales and Use Tax Appeals Hearings

G2. — Macromedia, Inc., 461946 (BH)

C3. Raw Skate Parks, Inc., 459785, 507070 (GH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

C4. I2 Group, LLC, 448503 (UT)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

F. Public Hearings**F1. Timber Yield Tax Rate**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved as recommended by staff.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

F2. Timber Harvest Values

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved as recommended by staff.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang/ Ms. Mandel	Yes

Special Presentation

- Presentation of Retirement Resolution
Edward King

H. Tax Program Nonappearance Matters – Adjudicatory**H8. Property Tax Matters**

- Petitions for Reassessment of Unitary Value

1. Questar Southern Trails Pipeline Co, 495440 (196) – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

2. Lodi Gas Storage, LLC, 494028 (198) – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

3. TW Telecom of California, LP, 495865 (7522) – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Not participating

➤ Petition for Reassessment of Private Railroad Car Tax

4. Paneltech International, LLC, 510882 (6399) – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

H10. Legal Appeals Property Tax Matters

➤ Petitions for Reassessment of Unitary Value

1. San Diego Gas & Electric Company (141), 495448 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

2. Verizon California, Inc. (201), 495518 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

3. Pacific Bell Telephone Company (279), 495430 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

4. Dynegy Oakland, LLC (1105), 495512 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

5. La Paloma Generating Company, LLC (1112), 495858 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

6. Reliant Energy Coolwater, LLC (1113), 495859 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

7. Reliant Energy Mandalay, LLC (1114), 495860 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

8. Reliant Energy Ormond Beach, LLC (1115), 495861 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

9. Reliant Energy Etiwanda, LLC (1116), 495862 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

10. Mountainview Power Company (1119), 495660 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

11. Elk Hills Power, LLC (1126), 495447 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	Not Participating
	Mr. Horton	Yes
	Mr. Chiang	Yes

12. High Desert Power Trust 2000-A (1127), 495661 – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

13. Delta Energy Center, LLC (1128), 495852 – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

14. Pastoria Energy Facility (1131), 495854 – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

15. Calpine Construction Finance Company (1132), 495855 – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

16. Metcalf Energy Center, LLC (1133), 495856 – 'CF'

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

17. Los Esteros Critical Energy Facility, LLC (1143), 495857 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition denied.	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Mr. Horton	Yes
	Mr. Chiang	Yes

18. Sprint PCS (2720), 495664 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

19. OmniPoint Communications, Inc. (2748), 495863 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

~~20. Covad Communications Company (7706), 495864 – ‘CF’~~

➤ Petitions for Abatement of Penalty

21. Atlantic Path 15, LLC (156), 495433 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition granted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

22. Vizada, Inc. (7948), 492252 – ‘CF’

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer’s petition partially granted/denied.	Ms. Yee	Yes
Reduced penalty to 5 percent.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

I. Tax Program Nonappearance Matters

I1. Property Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

- Audit
 1. WWC License, LLC (2665) – ‘CF’
- Unitary and Nonunitary Escaped Assessments
 - 2a. Golden State Water Company (101) – ‘CF’
 - 2b. Los Angeles SMSA Ltd., Partnership (2532) – ‘CF’
 - 2c. Sprint PCS (2720) – ‘CF’
- Board Roll Changes
 3. 2006, 2007, 2008 and 2009 Board Rolls of State Assessed Property – ‘CF’

J. Rulemaking

J1. Regulation 4076, Wholesale Cost of Tobacco Products

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
The Board referred the proposed regulation to the Business Taxes Committee to commence an interested parties meeting in January.	Ms. Yee	
	Mr. Leonard	
	Ms. Steel	
	Mr. Horton	
	Mr. Chiang	

J2. Regulation 4903, Innocent Spouse or Registered Domestic

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Authorized to publish as recommended by staff.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

M. Other Chief Counsel Matters

- M1. Opinion and Recommendation on Federal Ban and Attorney General's De-Listing of Flavored Cigarettes and Roll-Your-Own Tobacco Products.

Administrative Session**N. Consent Agenda**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

N1. Retirement Resolutions

- Victor C. Anderson, Jr.
- Richard A. Gardenhire
- Robert L. Haber
- Edward W. King
- Tim Rauscher
- Ruth Snyder
- Linda Studer
- Linda J. Welker
- Wayne Williams

N2. Approval of Board Meeting Minutes

- August 12, 2009
- August 31 – September 1, 2009

N3. Approval of revisions to Compliance Policy and Procedures Manual Chapter 7, *Collections*

O. Adoption of Board Committee Reports and Approval of Committee Actions**O1. Legislative Committee**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein. For details see: http://www.boe.ca.gov/legdiv/legmeetings09.htm	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

I. 2010 Legislative Proposals**Property Taxes—2010 Legislative Proposals**

1-6 Repeal Revenue and Taxation Code sections 1624.3, 1636.2, and 636.5 which were made redundant by recent legislation.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted. (Consent.)	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

1-7 Amend Revenue and Taxation Code section 401.11 to extend for five years the assessment valuation methodology for intercounty pipeline rights-of-way which are otherwise scheduled to sunset.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

1-8 Amend Revenue and Taxation Code section 1604 to clarify that the two year period that an assessment appeals board has to decide appeals before a property owner's opinion of value becomes controlling applies to supplemental and escape assessment appeals.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted. (Consent.)	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

1-9 Amend Revenue and Taxation Code section 4831 to clarify the provisions related to assessment roll corrections.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted. (Consent.)	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

Business Taxes—2010 Legislative Proposals

2-1 Amend Revenue and Taxation Code section 6829 of the Sales and Use Tax Law to include imposition of personal liability on responsible persons of a closely held corporation or closely held limited liability company (LLC) for liabilities arising during a period of suspension of that closely held corporation or closely held LLC, but only if the corporation or LLC is not revived within 60 days of the imposition of the suspension. Further, to add statutes comparable to section 6829, as amended, to those Board-administered Special Taxes and Fees programs where circumstances would warrant the imposition of personal liability on an officer, partner, member, manager, or other person having control or supervision of, or who is charged with the responsibility for the filing of returns or the payment of taxes or fees for a corporation, partnership, limited partnership, limited liability partnership, or LLC that has been terminated, dissolved or abandoned or on a responsible person of a closely held corporation or closely held LLC that has been suspended without being timely revived.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

Business Taxes – Special Taxes and Fees—2010 Legislative Proposals

- 4-2 Amend Business and Professions Code sections 22971, 22980.2, and 22980.3 to (1) prohibit a licensee from gifting or displaying cigarettes or tobacco products during a period when the license is suspended or after a license has been revoked and (2) provide that cigarettes or tobacco products displayed during a license suspension or after a license has been revoked are presumed to be displayed for sale.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted as amended.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

- 4-3 Amend Unemployment Insurance Code section 1095 to authorize the Board to admit the Employment Development Department's confidential employment tax information as evidence into the Board's administrative hearings for feepayer appeals and in court proceedings.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

- 4-4 Add sections 7304.1, 7304.2 and 7360.1 to, amend sections 7304, 7326 and 7402 of, and repeal sections 8651.8 and 8657 of, the Revenue and Taxation Code to reclassify alcohol fuel, commonly know as E85, from the Use Fuel Tax Law to the Motor Vehicle Fuel Tax Law in order to conform the reporting requirements with those for gasoline and diesel fuel.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

O2. Property Tax Committee

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein.	Ms. Yee	Yes
	Mr. Leonard	Yes
For details see:	Ms. Steel	Yes
http://www.boe.ca.gov/proptaxes/p/cwplan09.htm	Mr. Horton	Yes
	Mr. Chiang	Yes

1. Adoption of Offset Lithographic Printing Presses – Business Property Assessment Practices Guidelines.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted the recommended offset lithographic printing presses valuation factors as presented in Issue Paper 09-008.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

2. Adoption of Document Processors - Business Property Assessment Practices Guidelines.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted the recommended document processors valuation factors as presented in Issue Paper 09-006.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

3. Adoption of 2010 Revision of Assessors' Handbook Section 581, Equipment Index and Percent Good Factors.

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted the 2010 revision of AH 581 as presented in Issue Paper 09-007, Alternative Number 4.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

P. Other Administrative Matters**P1. Executive Director's Report**

- a. Employee Recognition Award Program

P2. Chief Counsel Report

There are no items for this matter.

P3. Deputy Director's Report

- a. Sales and Use Tax

There are no items for this matter.

- b. Property and Special Taxes

1. Approval of Assessors' Handbook Section 534, *Rural Building Costs*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Mr. Horton	Yes
	Mr. Chiang	Yes

- c. Administration

1. Facilities Update—This item provides information and may require Board action or direction.

2. 2009/10 and 2010/11 Budget Update, Furlough Plan and Layoffs

- d. Technology

There are no items for this matter.

Q. Closed Session